
GREATER BATON ROUGE LITERACY COALITION

FINANCIAL REPORT

March 31, 2014

GREATER BATON ROUGE LITERACY COALITION

FINANCIAL REPORT

MARCH 31, 2014

C O N T E N T S

	<u>Page</u>
<u>Independent Accountant's Review Report</u>	1
<u>Financial Statements</u>	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6 – 9
<u>Independent Accountant's Report on Applying Agreed-Upon Procedures</u>	10 – 12
<u>Louisiana Compliance Questionnaire</u>	13 – 14

THOMAS W. KLEINPETER, JR.

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A PROFESSIONAL CORPORATION

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

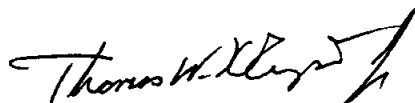
The Board of Directors
Greater Baton Rouge Literacy Coalition
Baton Rouge, Louisiana

I have reviewed the accompanying statement of financial position of Greater Baton Rouge Literacy Coalition (a nonprofit corporation) as of March 31, 2014, and the related statements of activities, functional expenses and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Coalition's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.



Baton Rouge, Louisiana
September 26, 2014

GREATER BATON ROUGE LITERACY COALITION
BATON ROUGE, LOUISIANA

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2014

ASSETS

CURRENT ASSETS

Cash	\$ 67,586
Grants receivable	23,320
Total current assets	<u>90,906</u>

FIXED ASSETS

Office equipment	25,400
Less: accumulated depreciation	<u>(14,611)</u>
	<u>10,789</u>

Total Assets	<u><u>\$ 101,695</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable	\$ 2,210
Accrued salaries and payroll taxes	<u>11,101</u>
Total current liabilities	<u>13,311</u>

NET ASSETS

Unrestricted	36,508
Temporarily restricted	<u>51,876</u>
Total net assets	<u>88,384</u>

Total Liabilities and Net Assets	<u><u>\$ 101,695</u></u>
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See accompanying notes and independent accountant's review report.

GREATER BATON ROUGE LITERACY COALITION
BATON ROUGE, LOUISIANA

STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2014

<u>SUPPORT</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Contributions			
Private grants and other public support	\$ 70,800	\$ 58,737	\$ 129,537
In-kind contributions	16,683	-	16,683
Membership dues	22,320	-	22,320
State grants	52,992	-	52,992
Federal financial assistance	67,911	-	67,911
	<u>230,706</u>	<u>58,737</u>	<u>289,443</u>
Other Support			
Interest income	67	-	67
Assets released from restrictions	61,550	(61,550)	-
	<u>61,617</u>	<u>(61,550)</u>	<u>67</u>
Total Support	<u>292,323</u>	<u>(2,813)</u>	<u>289,510</u>
<u>EXPENSES</u>			
Program	226,799	-	226,799
Administrative	46,851	-	46,851
Fundraising	10,825	-	10,825
Total Expenses	<u>284,475</u>	<u>-</u>	<u>284,475</u>
Change in Net Assets	<u>7,848</u>	<u>(2,813)</u>	<u>5,035</u>
Net assets, at beginning of year	<u>28,660</u>	<u>54,689</u>	<u>83,349</u>
Net assets, at end of year	<u>\$ 36,508</u>	<u>\$ 51,876</u>	<u>\$ 88,384</u>

See accompanying notes and independent accountant's review report.

GREATER BATON ROUGE LITERACY COALITION
BATON ROUGE, LOUISIANA

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2014

	<u>Program</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Wages and contract labor	\$ 133,671	\$ 22,029	\$ 10,400	\$ 166,100
Taxes - payroll	10,227	1,637	425	12,289
Dues & Subscription	5,000	200	-	5,200
Education & training	4,523	-	-	4,523
Awareness	1,371	-	-	1,371
Miscellaneous	3,335	1,905	-	5,240
Travel	577	-	-	577
Office supplies	-	2,368	-	2,368
Provider outreach	62,749	-	-	62,749
In-kind contributions	-	16,420	-	16,420
Depreciation	5,346	2,292	-	7,638
	<u>\$ 226,799</u>	<u>\$ 46,851</u>	<u>\$ 10,825</u>	<u>\$ 284,475</u>

See accompanying notes and independent accountant's review report.

GREATER BATON ROUGE LITERACY COALITION
BATON ROUGE, LOUISIANA

STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 5,035
Adjustments to reconcile change in net assets to cash provided by operating activities	
Depreciation	7,638
Decrease (increase) in assets	
Grants receivable	(5,350)
Increase (decrease) in liabilities	
Accrued payables	347
Net cash used in operating activities	<u>7,670</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Cash paid to acquire equipment	<u>(13,486)</u>
	<u>(13,486)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

	<u>-</u>
Net decrease in cash and cash equivalents	(5,816)
Cash and cash equivalents, beginning of year	<u>73,402</u>
Cash and cash equivalents, end of year	<u>\$ 67,586</u>

SUPPLEMENTAL CASHFLOW INFORMATION

There were no non-cash investing or financing transactions during the year.
No taxes or interest were paid during the year.

See accompanying notes and independent accountant's review report.

GREATER BATON LITERACY COALITION
BATON ROUGE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

1. Significant Accounting Policies and Presentations

Organization and Purpose

The Greater Baton Rouge Literacy Coalition (GBRLC) is a community wide, non-profit agency exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code. GBRLC promotes life-long learning, work-readiness and career advancement by creating a continuum of services delivered in collaboration with our affiliate providers and other strategic partners.

Basis of Presentation

The financial statement presentation follows the standards of the Financial Accounting Standards Board. Under these standards, GBRLC is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. GBRLC does not have any permanently restricted net assets.

Contributions

GBRLC accounts for contributions in accordance with the standards of the Financial Accounting Standards Board. In accordance with these standards, contributions received are recorded as increases in unrestricted, temporarily, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Equipment

GBRLC has adopted the practice of capitalizing all expenditures for depreciable assets where the equipment costs exceed \$500. Equipment, when purchased, is stated at cost. Donated equipment is valued at its' estimated replacement value at the time of donation. All equipment is depreciated over estimated service lives (3-7 years) computed using the straight-line method.

Compensated Absences

GBRLC has a provision that allows unused employee annual leave to accrue up to a limited number of hours. Annual leave is considered earned income, and employees leaving GBRLC employment will be paid for the remaining balance of unused annual leave, whether the departure is voluntary or involuntary. An accrual of annual leave has been recorded in the accompanying financial statements

GREATER BATON LITERACY COALITION
BATON ROUGE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

for the unused amount at March 31, 2014.

1. Significant Accounting Policies and Presentations (continued)

Cash Equivalents

Cash equivalents (as shown in the statement of cash flows) are all highly liquid debt instruments purchased with a maturity with three months or less.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Income Taxes

GBRLC has been recognized by the Internal Revenue Service as a not-for-profit organization as described in Section 501(c) (3) of the Internal Revenue Code and is exempt from federal income taxes. Accordingly, no provision for income taxes on related income has been included in the financial statements.

In Management's judgment, GBRLC does not have any tax positions that would result in a loss contingency considering the facts, circumstances, and information available at the reporting date.

With few exceptions, the statute of limitations for the examination of GBRLC's income tax returns is generally three years from the due date of the tax returns including extensions. The tax form 990 is prepared on a calendar year basis. The tax years open for assessment are the years ending on or after December 31, 2010.

Contributed Services

GBRLC has recognized in-kind contributions for services received at the estimated fair value of those services, provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skill and would typically need to be purchased, if not provided by donation.

Functional Allocation of Expenses

The costs of providing the various programs and administrative activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated between program, administrative, and fund raising expense based on management's estimate.

GREATER BATON LITERACY COALITION
BATON ROUGE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

2. Temporarily Restricted Net Assets

Temporarily restricted net assets at March 31, 2014 are available for the following purposes:

Awareness	\$ 5,227
Program Support – training, evaluation, instruction costs	10,468
Personnel	21,006
Development	15,175
	<u>\$ 51,876</u>

3. Net Assets Released from Restrictions

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrences of other events specified by the donors for the following programs during the year ended March 31, 2014.

Awareness	\$ 2,493
Program Support – training, evaluation, and instruction costs	21,915
Personnel	32,317
Other	4,825
	<u>\$ 61,550</u>

4. Government Grants

Federal and State of Louisiana grant revenues were received from the following sources during the year ended March 31, 2014:

	<u>Grant Period</u>	<u>Federal</u>	<u>State</u>
Department of Labor			
Passed Through the Louisiana Community & Technical College System			
Workforce Investment Act – Incentive Funds	7/01/13 – 6/30/14	\$ 7,765	
Department of Education			
Passed Through the Louisiana Community & Technical College System and then Iberville Parish School Board			
Adult Education	7/01/12 – 9/30/13	44,494	
Adult Education	7/01/13 – 9/30/14	15,652	
Adult Education	7/01/12 – 6/30/13		\$ 22,010
Adult Education	7/01/13 – 6/30/14		30,982
		<u>\$ 67,911</u>	<u>\$ 52,992</u>

GREATER BATON LITERACY COALITION
BATON ROUGE, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

5. Sub-recipients of Federal and State Grants

The funding received from the Louisiana Community and Technical College System Grant was funded to sub-recipients during the year ended March 31, 2014 is as follows:

<u>Sub-recipient</u>	<u>Federal</u>	<u>State</u>	<u>Total Amount</u>
Adult Literacy Advocates	\$ 10,835	\$ 15,791	\$ 26,626
St. Paul Adult Learning Center	<u>8,447</u>	<u>11,797</u>	<u>20,244</u>
	<u>\$ 19,282</u>	<u>\$ 27,588</u>	<u>\$ 46,870</u>

The sub-recipient awards noted above are included in the caption provider outreach in the Schedule of Functional Expenses.

6. Contributed Services

During the year ended March 31, 2014, GBRLC received bookkeeping services totaling \$11,020 from a related party and free office space totaling \$5,400. The value of these services is based on the estimated market value of the services provided and is recognized as public support revenue and is included in administrative expenses on the Statements of Activities and Changes in Net Assets.

7. Concentration of Credit Risk

GBRLC's financial instruments that are exposed to concentrations of credit risk consist of cash. GBRLC had cash balances on deposit with one bank at March 31, 2014 which did not exceed the FDIC insured limits.

8. Subsequent Events

Subsequent to March 31, 2014, GBRLC began operating under as Up Alliance to continue its mission. Management has evaluated subsequent events through the date of the Independent Accountant's Review Report and determined that no other events would require disclosure.

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**Independent Accountant's Report
on Applying Agreed-Upon Procedures**

The Board of Directors
Greater Baton Rouge Literacy Coalition
Baton Rouge, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Greater Baton Rouge Literacy Coalition, the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Greater Baton Rouge Literacy Coalition's compliance with certain laws and regulations during the year ended March 31, 2014 included in the accompanying *Louisiana Attestation Questionnaire*. Management of Greater Baton Rouge Literacy Coalition is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Greater Baton Rouge Literacy Coalition's federal, state and local award expenditures for all programs for the fiscal year are as follows:

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
Workforce Investment Act – Incentive Funds	07/01/13 – 06/30/14	17.267	\$ 7,765
Louisiana Community & Technical College System- Adult Basic Education- Federal Funds	07/01/2012 – 09/30/2013	84.002	44,494

Louisiana Community & Technical College System- Adult Basic Education- Federal Funds	07/01/2013 – 09/30/2014	84.002	15,652
Louisiana Community & Technical College System- Adult Basic Education- State Funds	07/01/2012 – 06/30/2013	N/A	22,010
Louisiana Community & Technical College System- Adult Basic Education- State Funds	07/01/2013 – 06/30/2014	N/A	30,982
Total Expenditures			<u>\$ 120,903</u>

2. For each federal, state and local award:

- I randomly selected a total of thirty disbursements from awards administered during the period under examination, with no more than six disbursements selected for each award.

- I traced the thirty disbursements to supporting documentation as to proper amount and payee.

No exceptions

- I determined if the thirty disbursements were properly coded to the correct fund and general ledger account.

No exceptions

- I determined whether the thirty disbursements received approval from proper authorities.

No exceptions.

- For federal awards, I determined whether the disbursements complied with the applicable specific program compliance requirements summarized in *the Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, I determined whether the disbursements complied with the grant agreement, relating to:

- Activities allowed or unallowed- All disbursements complied with the requirements.
- Eligibility- There were no checks written to individuals.
- Reporting- All disbursements were traced to the *Reimbursement Reports*.

3. For the programs selected for testing in item (2) that had been closed out during the period under review, I compared the close-out report, when required, with the agency's financial records to determine whether the amounts agree.

No exceptions

Open Meetings

4. Greater Baton Rouge Literacy Coalition is not required to comply with R.S. 42:1 through 42:13 (the open meetings law) because it is not a "public body."

Budget

5. For all grants exceeding five thousand dollars, I determined that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

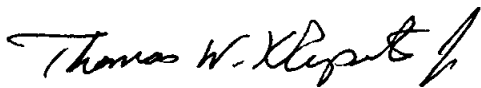
No exceptions.

Prior Comments and Recommendations

6. There were no prior-year suggestions, recommendations, and/or comments.

I was not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Greater Baton Rouge Literacy Coalition, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



September 26, 2014

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

September 11, 2014

Thomas W. Kleinpeter Jr. CPA, APC
610 Napoleon Street
Baton rouge, LA 70802

In connection with your review of our financial statements as of March 31, 2014, and for the period then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representation).

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No ☐

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/lla/nsf>, to determine whether a non-profit agency is subject to the open meetings law.**

Yes ☒ No ☐

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes ☒ No ☐

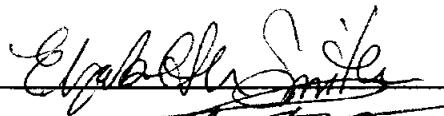


Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [X] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

	Secretary	9/11/14	Date
	Treasurer	9/11/14	Date
	President	9/11/14	Date